



U.S. General Services Administration

8(a) STARS

Streamlined Technology Acquisition  
Resources for Services

[www.gsa.gov/8astars](http://www.gsa.gov/8astars)

Contract Ordering Guide

Small Business

Governmentwide Acquisition Contracts Center

# Small Business Governmentwide Acquisition Contracts Center

The General Services Administration (GSA), Federal Acquisition Service (FAS), Integrated Technology Services (ITS), Small Business Governmentwide Acquisition Contracts Center (the "Center") offers a portfolio of pre-competed, Information Technology (IT) solutions contracts.

*We make it easy for you, our federal customers, through:*

- Access to high quality, industry partners
- Sole source ordering up to the \$3.5 million competitive threshold
- Pre-competed, multiple-award contracts
- Short procurement lead-time
- \$15 billion program ceiling (no individual contract ceiling)
- 8(a) credit through FPDS-NG data entry\*
- Section 803 compliance
- Dedicated staff that is customer focused and expert in small business technology contracts
- Scope compatibility reviews of prospective orders & modifications
- Consistent labor categories for all vendors

**\*Please see more information on 8(a) Credit applicability in the introduction section.**

*How to reach us:*

- By phone (877) 327-8732 (toll free)
- By fax (816) 823-1608
- By e-mail at [8a@gsa.gov](mailto:8a@gsa.gov)
- On the web at: [www.gsa.gov/8astars](http://www.gsa.gov/8astars)
- 1500 E. Bannister Road (Room 1076), Kansas City, MO 64131

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Questions regarding these guidelines should be directed to the 8(a) STARS procuring contracting officers. These guidelines may be revised to update the process of awarding and managing orders. Updates to this publication, when they occur, will be available on the web at [www.gsa.gov/8astars](http://www.gsa.gov/8astars)

# Who We Are

The General Services Administration (GSA), Federal Acquisition Service (FAS), Small Business Governmentwide Acquisition Contracts Center (SBGWACC), hereinafter referred to as the "Center", has a diversified portfolio of pre-competed, multiple award contracts with high-quality, small business industry partners. These small business firms specialize in providing innovative, information technology (IT) services and IT services-based solutions to federal agencies worldwide. The Center awards and administers IT contracts for governmentwide use as an executive agent of the Office of Management and Budget (OMB).

The Center manages the following multiple-award, indefinite-delivery, indefinite-quantity GWACs:

## 8(a) STARS GWAC

The 8(a) STARS (Streamlined Technology Acquisition Resources for Services) Contract Vehicle is a competitively awarded 8(a) contract. The 8(a) STARS contracts have a unique market niche, as the contract vehicle is specifically designed for 8(a) certified vendors. The use of this contract vehicle allows federal agencies to receive 8(a) socio-economic procurement preference credit for their purchases\* The 8(a) program refers to the Small Business Administration's 8(a) Business Development Program, named for a section of the Small Business Act. This program was created to help small disadvantaged businesses compete in the federal procurement market. For further information on the SBA's 8(a) Program, go to <http://www.sba.gov>. For further information on the 8(a) STARS contract vehicle, please review this guide and visit [www.gsa.gov/8astars](http://www.gsa.gov/8astars).

**\*Please see more information on 8(a) Credit applicability in the introduction section.**

## VETS GWAC

The VETS GWAC has a unique market niche as the contract vehicle is set-aside for service-disabled veteran-owned IT firms. The Veterans Administration determines service-disabled veteran status. There are two functional areas covering a broad scope of IT with a total of 44 awardees. The use of this contract allows federal agencies to receive service-disabled veteran-owned small business socioeconomic credit toward their three percent statutory goals. For further information regarding SBA programs for veterans, please go to <http://www.sba.gov>. For further information regarding the VETS GWAC, please visit [www.gsa.gov/vetsgwac](http://www.gsa.gov/vetsgwac).

## COMMITTS NexGen

The COMMITTS NexGen GWAC is a task order contract designed to offer Information Technology (IT) solutions to federal customers. The COMMITTS NexGen GWAC is set aside for small businesses. For more information on the COMMITTS NexGen GWAC, please visit [www.gsa.gov/commitsng](http://www.gsa.gov/commitsng).

## Alliant Small Business

The Alliant Small Business Governmentwide Acquisition Contract (Alliant SB GWAC) is a competitive multiple-award, indefinite-delivery, indefinite-quantity set-aside small business contract. The contract is designed to provide worldwide information technology solutions to federal agencies while strengthening opportunities in federal contracting for small businesses. For more information on the Alliant SB contract, please visit [www.gsa.gov/alliantsb](http://www.gsa.gov/alliantsb).

# Introduction

8(a) STARS enables federal agencies to fulfill their IT services and IT services-based solutions requirements and at the same time meet or exceed socioeconomic goals through the utilization of small businesses which are 8(a) certified. Please see the 8(a) Socioeconomic Credit Applicability section below for more information on obtaining 8(a) credit on 8(a) STARS.

8(a) STARS was authorized under the provisions of Section 8(a) of the Small Business Act (15 U.S.C. 637(a)) and retains the 8(a) sole source authority for services found in Federal Acquisition Regulation (FAR) Part 19.8.

In May, 2009, GSA exercised option two of the 8(a) STARS GWAC. Pursuant to Small Business Administration policy and Federal Acquisition Regulation, the 8(a) STARS GWAC underwent a contractor size re-representation prior to the contract option. Contract holders were required to re-represent their size status in each of the 8(a) STARS functional areas.

Current business size status in each functional area, as well as applicability of 8(a) socioeconomic credit is addressed in the industry partner section of the 8(a) STARS website ([www.gsa.gov/8astars](http://www.gsa.gov/8astars)). The ordering contracting officer may conduct a task order size re-representation if deemed in the best interest of their agency.

In compliance with FAR 19.804-6, the terms and conditions of the contract still apply to all contract holders. Users of the contract are required to follow all applicable policies when placing orders against this contract. For additional guidance on the use of 8(a) STARS, please contact the GSA 8(a) STARS team.

## **8(a) Socioeconomic Credit Applicability**

The use of 8(a) STARS can assist agencies in meeting their socioeconomic goals. 8(a) credit is available when utilizing the 8(a) small businesses on the 8(a) STARS GWAC. Agencies desiring to ensure they receive 8(a) credit for their 8(a) STARS task order, may consider conducting a task order size re-representation when issuing their RFQ/RFP. For more guidance on 8(a) credit applicability, please contact the 8(a) STARS team. ([8a@gsa.gov](mailto:8a@gsa.gov))

## **Ordering Guide**

This ordering guide is intended to help program officials, ordering offices, ordering contracting officers and industry partners use 8(a) STARS. 8(a) STARS covers eight Functional Areas (FA) defined by the 2002 North American Industry Classification System (NAICS) codes listed below:

- FA 1 NAICS 541511 Custom Computer Programming Services
- FA 2 NAICS 541512 Computer Systems Design Services
- FA 3 NAICS 541513 Computer Facilities Management Services
- FA 4 NAICS 518210 Data Processing, Hosting and Related Services
- FA 5 NAICS 541519 Other Computer Related Services
- FA 6 NAICS 516110 Internet Publishing and Broadcasting
- FA 7 NAICS 519190 All Other Information Services
- FA 8 NAICS 517110 Wired Telecommunications Carriers

Additional information for these NAICS and the FAs may be found in this ordering guide. Full descriptions of the NAICS codes are on the web at [www.census.gov/epcd/www/naics.html](http://www.census.gov/epcd/www/naics.html).

## American Recovery and Reinvestment Act (ARRA)

The 8(a) STARS contract includes the provisions of the American Recovery and Reinvestment Act. 8(a) STARS vendors may accept orders initiated under the ARRA.

### Scope

The *technical scope* of the 8(a) STARS GWAC includes information technology services and ancillary products necessary to meet the requesting activity's requirements derived from the applicable NAICS definition. **The associated services-based NAICS definition governs the principle purpose of any task orders issued under this contract vehicle.** The *geographical scope* of coverage is worldwide and *organizational scope* of coverage includes those entities authorized in GSA Order ADM 4800.2E (see Appendix II).

## Functional Area Descriptions

Shown with each NAICS code are associated sample business categories. Business categories serve as a guide to placement of work with a functional area, but are not the final answer. Due diligence that proposed work is a good scope fit with the FA's NAICS code is still a good idea. Information about reviewing the full NAICS code description was included on the previous page.

### Functional Area 1

#### NAICS 541511 - Custom Computer Programming Services

This U.S. industry comprises establishments primarily engaged in writing, modifying, testing, and supporting software to meet the needs of a particular customer.

Business Categories -- Applications Software Programming Services  
Computer Program or Software Development  
Computer Programming Services  
Computer Software Support Services  
Database Design/Generation  
Legacy Interfaces/Data Migration  
Software Analysis and Design  
Software Programming  
Software Testing  
Web Design

### Functional Area 2

#### NAICS 541512 Computer Systems Design Services

This U.S. industry comprises establishments primarily engaged in planning and designing computer systems that integrate computer hardware, software, and communication technologies. The hardware and software components of the system may be provided by this establishment or company as part of **integrated services** or may be provided by third parties or vendors. These establishments often install the system and train and support users of the system.

Business Categories -- Business Process Reengineering (BPR)  
\*\*Cabling and Wiring  
Computer-Aided Design (CAD) Services  
Computer-Aided Engineering (CAE) Services  
Computer-Aided Manufacturing (CAM) Services

- Computer Hardware Consulting Services
- Computer Software Consulting Services
- Computer Systems Integration Analysis and Design
- Computer Systems Integration Design Consulting
- Configuration Management
- Enterprise Architecture Development
- Enterprise Resource Planning (ERP)
- IT Capital Planning Management
- LAN/WAN Design
- Network Design & Installation
- Network Systems Integration
- Systems Analysis
- Systems Integration

**\*\* Considered higher risk business categories – Statement of Work compatibility review recommended prior to issuing task order**

## **Functional Area 3**

### **NAICS 541513 Computer Facilities Management Services**

This U.S. industry comprises establishments primarily engaged in providing on-site management and operation of clients' computer systems and/or data processing facilities. Establishments providing computer systems or data processing facilities support services are included in this industry.

Business Categories --

- Computer Operations/Support
- Computer Systems Facilities Services
- Data Processing Facilities Services
- End User Support
- Equipment Inventory & Maintenance
- Hardware/Software Maintenance
- \*\*Help Desk
- IT Facilities Management, Operation, & Support
- IT Facilities Planning
- Network Management

**\*\* Considered higher risk business categories – Statement of Work compatibility review recommended prior to issuing task order**

## **Functional Area 4**

### **NAICS 518210 Data Processing, Hosting and Related Services**

This U.S. industry comprises establishments primarily engaged in providing infrastructure for hosting or data processing services. These establishments may provide specialized hosting activities, such as web hosting, streaming services or application hosting, provide application service provisioning, or may provide general time-share mainframe facilities to clients. Data processing establishments provide complete processing and specialized reports from data supplied by clients or provide automated data processing and data entry services.

Business Categories --

- Application Hosting
- Application Service Providers (ASPs)
- Automated Data Processing
- Computer Input Preparation
- Data Capture Imaging Services
- \*\*Data Entry Services
- Data Processing
- Data Warehousing



- Document Imaging
- Electronic Data Processing
- Media Streaming
- Microfiche/Microfilm Services
- Scanning Services
- Storage Area Networks
- Web Hosting

**\*\* Considered higher risk business categories – Statement of Work compatibility review recommended prior to issuing task order**

## **Functional Area 5**

### **NAICS 541519 Other Computer Related Services**

This U.S. industry comprises establishments primarily engaged in providing computer related services (except custom programming, systems integration design, and facilities management services). Establishments providing computer disaster recovery services or software installation services are included in this industry.

Business Categories --

- Computer Disaster Recovery
- Contingency Planning
- Disaster Preparedness/Recovery
- Documentation
- Information Assurance and Security
- Independent Verification & Validation
- Software Installation
- Virus Detection/Recovery

## **Functional Area 6**

### **NAICS - 516110 Internet Publishing and Broadcasting**

This U.S. industry comprises establishments engaged in publishing and/or broadcasting content on the Internet exclusively. These establishments do not provide traditional (non-Internet) versions of the content that they publish or broadcast. Establishments in this industry provide textual, audio, and/or video content of general or specific interest on the Internet.

Business Categories --

- Broadcasting, exclusively on the Internet
- Internet Broadcasting
- Internet Video Broadcast
- Special Interest Portals
- Video Broadcasting, exclusively on the Internet
- Web Broadcasting

## **Functional Area 7**

### **NAICS 519190 All Other Information Services**

This U.S. industry comprises establishments primarily engaged in providing other information services (except news syndicates and libraries and archives).

Business Categories --

- \*\*Call Centers
- Distance Learning
- E-Commerce
- Telephone-Based Recorded Information Services
- Video Conferencing

**\*\* Considered higher risk business categories – Statement of Work compatibility review recommended prior to issuing task order**

## **Functional Area 8**

### **NAICS 517110 Wired Telecommunications Carriers**

This U.S. industry comprises establishments engaged in (1) operating and maintaining switching and transmission facilities to provide point-to-point communications via landlines, microwave, or a combination of landlines and satellite linkups or (2) furnishing telegraph and other non-vocal communications using their own facilities.

Business Categories -- Facilities-Based Telecommunications Carriers (except wireless)  
Local Telephone Carriers (except wireless)  
Long-Distance Telephone Carriers  
Telecommunications Carriers  
Telecommunications Networks  
Telegram Services  
Telephone Installation Services  
VOIP (Voice Over Internet Protocol)

# Ordering from 8(a) STARS

## Delegation of Procurement Authority

Government Contracting Officers who wish to use the 8(a) STARS GWAC must receive training and be granted a delegation of procurement authority prior to issuing task orders, whereupon they will become ordering contracting officers (OCOs). Delegations are required by GSA's Quality Assurance Plan in accordance with the Office of Management and Budget guidelines. Delegations can only be granted to warranted Contracting Officers, but all individuals (i.e. contract managers, specialists, etc.) involved with an 8(a) STARS task order are encouraged to participate in the training.

No work may be performed, no debt or obligation accrued and no payment may be made except as authorized by a bona-fide written order signed by a contracting officer having an 8(a) STARS delegation of procurement authority.

There are three ways to receive 8(a) STARS delegation of procurement authority: 1) Center for Acquisition Excellence Online Training Seminar, 2) through a conference call with one of the 8(a) STARS Procuring Contracting Officers (PCOs), or 3) on site training for large groups of potential OCOs and/or IT program officials.

### 1. Center for Acquisition Excellence Online Training Seminar entitled “8(a) STARS Delegation of Order Authority”

A self-paced seminar available 24 hours a day, 7 days a week for contracting officers interested in obtaining 8(a) STARS delegation, and for individuals involved with potential orders. To take advantage of this readily available training, please follow these steps:

1. Access the Center for Acquisition Excellence at <http://cae.gsa.gov>
2. Request a login and password (if you do not already have one)
3. Log-in to the Center for Acquisition Excellence
4. Click on “Learning Center”
5. Click on “Course Information and Enrollment”
6. Select “8(a) STARS Delegation of Order Authority Seminar”
7. Complete the seminar
8. Follow the instructions identified below for requesting a DPA

### 2. Conference Call with one of the 8(a) STARS Procuring Contracting Officers (PCOs)

To start the process of obtaining delegation through one of the 8(a) STARS PCOs, each contracting officer wanting delegation must submit the following information to the Small Business GWAC Center's [delegations@gsa.gov](mailto:delegations@gsa.gov) inbox, or fax it to (816) 823-1608 (please place “8(a) STARS delegation” in the subject line).

- Agency name, bureau/command name (if any), individual(s) full name, street address, e-mail address, phone number and fax
- Names of other individuals who may be participating in the training but not seeking delegation. *We encourage all members of the procurement team to participate in the training or be familiar with the 8(a) STARS contract*
- After receipt of this information, an 8(a) STARS PCO will contact the requester(s) to set up training

This training may take only 15 to 20 minutes, provided the caller has internet access.

### 3. On Site Training for Large Groups of Potential OCOs & IT Program Officials

Please contact the Center for details at 1-877-372-8732 to schedule a time and date for training.

### Instructions for Requesting a DPA

After the Delegation of Procurement Authority training is completed, you will request a DPA for 8(a) STARS from the GWAC Management Module (GWAC MM). The GWAC MM is an online, web-based system for contract administrative information.

#### DPA Request Procedure from the GWAC MM:

1. Visit the GWAC MM from the GSA IT Solutions Shop (ITSS) website at <https://itss.gsa.gov>.
2. Login to ITSS. **New ITSS users** will create an account by completing the "New User Registration" from the home page. Video tutorials are available for ordering contracting officers on the ITSS site. For registration assistance, call (877) 243-2889 (option 2).
3. Click the "GWAC" tab at the top of the main screen to enter the GWAC MM. **Existing ITSS users** without access to GWAC MM need to edit their "Registration Profile" in order to obtain access.
4. Select "Request Delegation"
5. Select the GWAC(s) you are requesting delegation for in the drop down menu.
6. Click on "Submit"

A DPA request will then be sent to the GWAC Center managing that contract. Once the request has been submitted, the appropriate GSA CO will follow up in order to complete the DPA process. The Ordering Contracting Officer will submit a copy of the course completion certificate and a copy of their warrant to the GWAC Contracting Officer. Additionally, as a last step, a bilateral agreement will be exchanged between the GSA CO and the OCO for signatures from both parties.

A DPA is granted once a bilateral agreement is signed by both the GSA CO and the OCO.

### Scope Compatibility Reviews for Prospective Orders and Modifications

The Small Business GWAC Center offers OCOs and industry partners the value-added opportunity to send in prospective Statements of Work (SOW)/Statements of Objectives (SOO) and proposed modifications to existing orders for advance scope compatibility review; this service is not required for OCOs and is available at no cost. This quality assurance measure has been made available for those who would like assistance in determining basic scope fit on the 8(a) STARS contract vehicle.

The following items are required for a review to be conducted by the Small Business GWAC Center's team of Contracting Officers:

1. A completed copy of the SBGWAC Center's Scope Compatibility Review Request Form (available on the 8(a) STARS Website, Scope Review Section)

2. The OCO's selection of the principal or "best fit" North American Industrial Classification System (NAICS) code for the requirement. When determining the best fit NAICS code for the requirement, the OCO should use the entire NAICS code menu provided by the Census Bureau, and not limit consideration to just those NAICS codes under the 8(a) STARS GWAC. If the best fit NAICS code matches one on the 8(a) STARS GWAC, it is a good indication that scope may be compatible. If the best fit NAICS code does not match one on the 8(a) STARS GWAC, that is a strong indication the 8(a) STARS GWAC is not a good match for the requirement.
3. A complete copy of the SOW/SOO, to include requirements, desired order terms (fixed price, time and materials, labor-hour, etc.), and other prominent information including an Exhibit 300, if applicable
4. The government estimate, if available
5. Acquisition history, if any

For any prospective modification reviews, the complete order must be sent to the Small Business GWAC Center in addition to the three items listed above, with items 3, 4 and 5 being specific to the proposed modification.

To get started on these courtesy reviews, please do the following:

1. Scan and attach the information listed above and the SOW/SOO to an e-mail addressed to [SOWreview@gsa.gov](mailto:SOWreview@gsa.gov)
2. Place "SOW review for 8(a) STARS GWAC" in the subject line
3. Notate within the e-mail any specific questions that you'd like to be addressed by the Small Business GWAC Center's Contracting Officer team

What can be expected upon concluding the SOW/SOO review is a short turn-around time, determination on whether the Small Business GWAC Center deems the requirement a good basic fit for the 8(a) STARS GWAC, and which Functional Area (FA) is appropriate based on the information that has been presented. This process does not obviate an OCO's due diligence. The OCO is still required to complete acquisition planning, work with legal and technical advisors if appropriate or required, conduct the procurement, perform due diligence, etc. Please remember, a DPA for the 8(a) STARS GWAC must be obtained by any OCO prior to issuing orders against this contract.

## Ordering Guidance

The total estimated value of a procurement including options should be considered in developing an acquisition strategy. Tasks shall not be split to avoid threshold limitations. The basic task and any modifications must stay within scope of the order (and the contract).

Authorized order terms available under this GWAC are:

- Fixed Price Family (FAR 16.2 and 16.4)
- Time & Materials (FAR 16.6)
- Labor Hour (FAR 16.6)

*If not using Fixed-Price terms, the FAR 16.601(d) requires contracting officers to document the rationale which applies to orders under STARS. Some orders may have work containing a combination of contract types, i.e., Fixed-Price, Time & Materials, and Labor-Hour terms. The ordering agency is responsible for identifying the applicable order type(s), and making the order terms clear, which should be stated in the RFQ/RFP and resulting order.*

*DoD has issued a final rule (Federal Register: November 24, 2008 (Volume 73, Number 227)) amending the Defense Federal Acquisition Regulation Supplement (DFARS) to address review and documentation requirements pertaining to the use of time-and-materials contracts for the acquisition of non-commercial services. The rule provides for the same level of review for both commercial and non-commercial DoD time-and-materials contracts. The determination and findings required by FAR 16.601 (d) requires a higher level of review. Please check agency guidance for the level of review.*

## **Performance Based Services Acquisition (“PBSA”, a/k/a Performance Based Contracting)**

**PBSA** means an acquisition structured around the results to be achieved as opposed to the manner by which the work is to be performed. The Office of Federal Procurement Policy (OFPP) recommends that performance-based statements of work (SOW)/statements of objectives (SOO) be utilized, to the maximum extent practicable, when acquiring services in accordance with FAR 37.102(a) [DFARS 237.170-2]. Performance based SOWs are also known as performance work statements (PWS).

Policy promulgated by the FY 2001 Defense Authorization Act (PL 106-398, section 821), FAR 37.102, and FAR 16.505(a), establishes PBSA as the preferred method for acquiring services. In addition, for Defense agencies, DFARS 237.170-2 requires higher-level approval for any acquisition of services that is not performance-based. Accordingly, it is expected that most 8(a) STARS orders will be performance-based.

### **PWS**

A PWS identifies the technical, functional and performance characteristics of the government's requirements. The PWS describes the work in terms of the purpose of the work to be performed rather than how the work is to be accomplished or the number of hours to be provided.

### **SOO**

A SOO is a variant of the PWS. It is a very brief document (commonly about 2 to 10 pages, depending upon complexity, although there is no maximum or minimum required length) which summarizes key agency goals and outcomes, to which contractors respond with solutions. It is different from a PWS in that offerors are asked to develop and propose a PWS, technical approach, performance standards/metrics, incentives/disincentives, a quality assurance surveillance plan (QASP) (all based upon commercial practices) and pricing. At a minimum, a SOO must contain the following information:

- Purpose.
- Scope or mission
- Period and place of performance
- Background
- Performance objectives (*i.e.*, required results)
- Any operating constraints

Upon award, the winning offeror's solution to the SOO & QASP should be incorporated into the resulting task order; the SOO itself is not part of the task order.

## Contractor Responsibility – task order level

Overall responsibility has been determined for each GWAC contractor. However, in accordance with FAR 9.405-1 and the Office of Federal Procurement Policy Memorandum, "Contractor Responsibility Determinations and Indefinite-Delivery Contracts," dated April 16, 2002, it is highly recommended that OCOs complete and document an Excluded Parties List review on contractors they intend to award task orders to *prior* to making each task order award.

This policy is also consistent with DFARS 209.405-1.

## Describing requirements

Develop a description of the requirement in accordance with [FAR 16.505\(a\) \(2\)](#), or authorized agency regulations, including, but not limited to, the following, as applicable:

- A SOW (PWS or not) or SOO
- A desired completion date
- Milestones and/or performance schedule (if not a SOO)
- Set a RFI/RFQ/RFP response time to meet agency needs & promote competition
- Evaluation factors and methodology
- Any special instructions, conditions, notices, performance measures/metrics, etc.
- The applicable Section 508 accessibility standards from 36 CFR 1194
- Request subcontractor information (amount of work proposed to be performed by the 8(a) prime and its subcontractors). For certain tasks, OCO's may want to require prime contractors to provide subcontractor responsibility determinations (FAR 9.103 and 9.104-1) and consent to subcontract in task orders (FAR 44.2).
- Strongly consider the optional free advance SOW/SOO scope compatibility review
- Add any clauses needed at the task order level

## Funding

Funding for each order shall be at the order level, not at the contract level.

Incremental funding strategies may be used if consistent with customer agency policy. In such a situation the total potential requirement (including price, period of performance, and performance milestones) is subject to fair opportunity to be considered and the agency should disclose that incremental funding will be used, and to what degree. The order will initially be funded up to a level certain, and additional incremental funds may be added by modifications, but each progressive modification adding funds should be tied to explicit measurable performance milestones. Modifications may not materially extend a task's competed period of performance or materially increase its competed total dollar value. The basic task and any modifications must stay within scope. Do not rely upon the basic contract's Changes clause(s) or Limitations in Funds Clauses (52.232-23) to implement incremental funding as they are not an appropriate source of authority. Agency policy will have to be communicated in the RFQ/RFP and resulting order about the OCO's authority for, and terms of, incremental funding.

## Higher Risk Work Scope Areas

The following types of work can be IT services and solutions if established properly. However, under representation of IT professional services and overrepresentation of non-IT services and/or products can occur and is problematic, so we strongly advise due diligence and consultation with this Center and your legal and technical advisors.

- Help Desk
- Call Center
- Software Licensing/Software License Management
- Cabling and Wiring
- Professional Services (i.e. Consulting, Project Management)

## Not Allowed on 8(a) STARS

- Renting (it is ok for a contractor to enter into rental agreements, but the government will not be a party to them)
- Leasing (it is ok for a contractor to enter into leases, but the government will not be a party to them)
- Blanket Purchase Agreements (BPAs)
- Cost Contracts
- Product-Only Orders

## Security Clearance Considerations for Classified Orders

Before issuing an RFI/RFQ/RFP for a classified order, a determination should be made as to whether or not access to anything classified will be required during the RFI/RFQ/RFP (a/k/a “solicitation”) process.

### **If access is required during the solicitation process:**

All prospective contractors who may receive the RFI/RFQ/RFP must possess the appropriate facility clearance, safeguarding capability and personnel security clearance in order to access the solicitation package. This may be ascertained by requiring proof of credentialing.

### **If access is not required during the solicitation process:**

Prospective contractors do not have to possess facility clearances to receive or review the RFI/RFQ/RFP.

RFIs/RFQs/RFPs and orders should specify if facility security clearance granted by a cognizant security agency (CSA) is required, and the highest required facility security clearance level. A DD254 is commonly used in solicitations to present these requirements.

RFIs/RFQs/RFPs and orders should specify if SENSITIVE COMPARTMENTED INFORMATION (having various compartments), TOP SECRET, SECRET, or CONFIDENTIAL industrial personnel security clearances (a/k/a “PCL”) granted by a CSA are required. Unless the requiring activity has a bona-fide reason for precluding interim PCLs, they should be considered equivalent to non-interim PCLs. A DD254 is commonly used in solicitations to present these requirements.

RFIs/RFQs/RFPs and orders should specify if CSA cleared safeguarding is required, and if required, the highest required level. The safeguarding level should not exceed the facility security clearance level. A DD254 is commonly used in solicitations to present these requirements.



If the agency requirement is for active facility security clearance and/or current PCLs as an award prerequisite, as opposed to something that the requiring activity would allow a reasonable period of time after award to earn based upon the ordering contracting officer's agency, or customer agency sponsorship at the CSA, it should be so identified in the RFI/RFQ/RFP. Such requirements for clearances as a precondition for award are not unforeseen and are not uncommon. When required as a condition of award, the following sample language is suggested for the RFI/RFQ/RFP (and in the case of an RFI, it is advisory in nature only, and not intended to be a screen that is typically implemented at that juncture).

The Government considers the requirement for \_\_\_\_\_ (cite the applicable clearance(s)) \_\_\_\_\_ a definitive responsibility matter, i.e., Offerors must submit proof of these credentials before order award. This proof shall be made available to the Government after the deadline for receipt of quotes/proposals within five (5) working days of the Government's request for it. Failure to submit that information within five (5) working days will be deemed a material nonconformity and result in your non-selection/offer rejection. Competitors are advised to have clearance documentation at the ready so it is available when the Government requests it.

There are four different CSAs, all of which have equal authority: The Department of Defense, the Department of Energy, the Central Intelligence Agency, and the Nuclear Regulatory Commission. Reciprocity/equivalency of clearances between the CSAs is an evolving area and is not guaranteed.

## **Subcontracting**

In accordance with the Code of Federal Regulations (CFR), 13 CFR 125.6 a small business concern contracting for services has agreed that, the concern will perform at least 50 percent of the cost of the contract incurred for personnel with its own employees. The location of the full text of this CFR can be found at <http://www.sba.gov/library/cfrs/13cfr125.html>. This is also stated in the contract in FAR Clause 52.219-14, Limitation on Subcontracting. All contract holders are responsible for managing the balance of workload being performed under their contracts and orders.

It is a requirement of the 8(a) STARS Industry Partners to submit semi-annual subcontracting reports to the Small Business GWAC Center. Prime contractors are responsible for performing greater than 50% of the work at the contract level, and should also be expected to perform a significant amount on each order. It is a best practice to require industry partners to disclose the amount of work they intend to perform with their own resources in quotations and proposals by asking for it in your requests for quotation and requests for proposal, respectively. A good rule of thumb for an order is for the small business prime contractor to be expected to perform around 50% of the work itself. If that's not the case, we invite you to contact us for guidance.

## **Order Duration**

Orders may be awarded during the 8(a) STARS basic contract life, which is also referred to as the contract ordering period. The contract ordering base period is for three years with two, two-year options. The base period began June 1, 2004. Task order duration, provided the order is issued during the GWAC's ordering period, is not dependent upon the Center exercising the option of the underlying GWAC/basic contract. Orders may be issued for a term consistent with the customer agency's policy on task order duration with one limitation - proposed orders that may run beyond the final day of the underlying GWAC ordering period are subject to additional duration conditions established in the GWAC. This limits task orders to three years beyond the final day of the contract ordering period, which would mean all orders would have to be substantially completed by May 31, 2014. If a task order requires additional time for performance beyond these duration conditions, ordering contracting officers should confer with

the Center about the particulars in these cases.

## Size Re-representation

Effective March 19, 2009, the FAR final rule covering contract (as opposed to order) size re-representation impacts multiple award contracts set-aside for small business programs, like 8(a) STARS. The rule requires size re-representation of the basic contract's awardees at the 5<sup>th</sup> year, and then for every option period thereafter. If a contract awardee on 8(a) STARS is no longer small at those re-representation points, they will retain their basic contract and the terms of the basic contract still apply. The firm will be recoded as no longer a small business so that new orders issued to such a contractor are no longer credited as small business awards. Pursuant to the exercise of option two on 8(a) STARS in May 2009, contractors were required to re-represent their small business size status. Re-representations are indicated on the industry partners section of the 8(a) STARS website.

## Fair Opportunity to be Considered (“fair opportunity”)

When determining whether or not fair opportunity is required, the OCO should consider the entire value of the task order inclusive of all option periods. Since the 8(a) STARS contract vehicle was awarded under the provisions of FAR 19.8 and Section 8(a) of the Small Business Act (15 U.S.C 637(a)) directed 8(a) orders may be placed when the total award value is less than or equal to the \$3.5 million competitive threshold.

<b>Tasks under the \$3.5 Million Competitive Threshold</b>
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Effective September 28, 2006 a mandatory statutory inflationary adjustment increased the competitive threshold on non manufacturing 8(a) contracts from \$3 million to \$3.5 million. The adjustment was a result of 41 U.S.C. 431a as added by section 807 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Pub. L. 108-375, FAR Case 2004-033). The final rule is included in FAC 05-13 and demonstrated in the accompanying table of acquisition thresholds. It is also reflected in FAR 19.805-1 (a) (2).

In accordance with FAR 19.804-2(a) (10) (i), directed ordering is available for orders of \$3.5 million or less based on the contractor's self-marketing efforts or past performance as an incumbent. OCOs should remember:

- Contracts were competitively-awarded in accordance with FAR 19.8 resulting in multiple awards
- The awarded labor rates are ceiling prices
- OCOs should make a determination of price reasonableness for each order and may negotiate price discounts.
- Orders of \$3.5 million or less should cite 15 U.S.C. 637(a).
- On a directed task order, the OCO should verify that the contractor has an award in the applicable FA. The 8(a) STARS website, [www.gsa.gov/8astars](http://www.gsa.gov/8astars), identifies all 8(a) STARS contractors by FA.

Even though the directed order authority is for task orders under \$3.5 million, the OCO may choose to provide fair opportunity under that level as discussed in the next section.

## Tasks greater than the \$3.5 million Competitive Threshold

In accordance with FAR 16.505(b)(1) & 10 USC § 2304c(b), fair opportunity should be provided to all contract holders in the applicable Functional Area (FA) on all orders exceeding the competitive threshold of \$3.5 million

In accordance with the National Defense Authorization Act (NDAA) of 2008 for task or delivery orders in excess of **\$5,000,000 (in the case of STARS orders in excess of \$3.5million)**, the contracting agency's obligation to provide "a fair opportunity to be considered" is not met unless "all contractors" are provided the following (at a minimum):

- 1) a notice of the task or delivery order that includes a clear statement of the agency's requirements
  - 2) a reasonable period of time to provide a proposal in response to the notice
  - 3) disclosure of the significant factors and subfactors, including cost or price, which the agency expects to consider in evaluating such proposals, and their relative importance
  - 4) in the case of an award that is to be made on a best-value basis, a written statement documenting the basis for the award and the relative importance of quality and price or cost factors
  - 5) an opportunity for a post-award debriefing
- (Review Policy Letter issued regarding the National Defense Authorization Act of 2008 for Defense agency task orders and Civilian agency task orders at [www.gsa.gov/vetsgwac](http://www.gsa.gov/vetsgwac) in the Contract Library.)

## Fair Opportunity Exceptions

Fair Opportunity must be provided unless one or more of the four statutory Fair opportunity exceptions found in FAR 16.505(b)(2) [DFARS 216.505-70(b)] applies. Exceptions should be documented in accordance with FAR 16.5. These are the **only** exceptions.

### **1. The agency need for the supplies or services are so urgent that providing a fair opportunity would result in unacceptable delays**

Use of this exception is appropriate under circumstances similar to the authority of FAR 6.302-2 [DFAR 206.302-2, PGI 206.302-2]. The circumstances under which use of this authority may be appropriate include, but are not limited to, the following:

- (i) IT services or IT services-based solutions are needed at once because of fire, flood, explosion, or other disaster.
- (ii) Essential IT services or IT services-based solutions are needed at once to—
  - (A) Comply with orders for a ship;
  - (B) Perform the operational mission of an aircraft; or
  - (C) Preclude impairment of launch capabilities or mission performance of missiles or missile support equipment.
- (iii) IT services or IT services-based solutions are needed at once to preserve IT from damage.

(iv) Purchase requests citing an issue priority designator under DoD 4140.1-R, DoD Materiel Management Regulation, of 4 or higher, or citing “Electronic Warfare QRC Priority.”

**2. Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized**

(i) Use of this exception should be rare. Its use is appropriate when—

(A) No other contractor is capable of providing a service or services-based solution of a comparable nature; and

(B) No other type of services or services-based solution will satisfy agency requirements.

(ii) When using this exception, the *justification* should explain—

(A) What is unique or highly specialized about the service or services-based solution; and

(B) Why only the specified contractor can meet the requirement.

**Use of this exception is appropriate under circumstances similar to the policy of DFARS PGI 216.505-70(1).**

**3. The order must be issued on a sole-source basis in the interest of economy and efficiency as a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity for the original order**

i) A follow-on order is a new procurement placed with a particular contractor to continue or augment a specific program or service. When using this exception, the *justification* should discuss why the specific requirement continues and why it is to the benefit of the Government for the particular contractor to continue this work (see FAR 16.505(b)(4)). Examples include—

(A) Award to any other source would likely result in substantial duplication of cost to the Government that is not expected to be recovered through competition;

(B) Award of the order to a different source would cause unacceptable delays in fulfilling the Government’s requirements (lack of advance planning is not valid rationale); or

(C) A contractor is already at work on a site, and it would not be practical to allow another contractor to work on the same site.

(ii) When using this exception—

(A) Specify how recent the previous competitive order was and the number of times this exception has been used;

(B) Discuss why the specific requirement continues; and

(C) Discuss why it would be of benefit to the Government for the specified contractor to continue this work.

**Use of this exception is appropriate under circumstances similar to the policy of DFARS PGI 216.505-70(2).**

#### **4. It is necessary to place an order to satisfy a minimum guarantee**

This exception is reserved to the Center

### **Streamlined Acquisition**

A streamlined fair opportunity multi-phased approach is available for task orders exceeding \$3.5 million. The following procedures outline phases one and two of this recommended two-phased best practice, which complies with DFAR 216.505-70(c)-(d).

#### **Phase One**

1. Determine the Functional Area for the requirement. Strongly consider the free scope compatibility review offered by the Center.
2. Develop a Request for Information (RFI). The RFI should:
  - Include salient characteristics of the specific requirement (e.g. security clearance, specialized information, certifications, deliverables, response requirements) and disclose the general basis on which selections will be made
  - Instruct contractors to inform the OCO of their affirmative interest in the competition by the date shown in the RFI or they will not be included in phase two
  - Establish a response deadline that makes sense for phase one, understanding that the bid and proposal effort for phase one is typically minimal for the prime contractors, unless more detailed information is required than what is suggested in 3 below.
  - Transmit the RFI to the entire list of awardees in the particular FA to determine their interest in the competition, permitting them to opt-in or opt-out of phase two. We recommend using GSA's e-Buy, which will allow you to include only 8(a) STARS industry partners and provides proof that you did post it. Industry partners are responsible for monitoring e-Buy and keeping their information in it current. GSA OCOs may also use GSA IT Solutions Shop and should select all of the pick lists for the respective functional area.
3. Maintain a record of the RFI transmittal and responses in the order file to document use of fair opportunity procedures. Save transmission failure notices for the record.
4. The OCO should include all awardees in the FA who have indicated interest in further consideration/opted in for phase two, but not those who did not respond in the affirmative under phase one.

#### **Phase Two**

Please ensure that all 8(a) STARS prime contractors who opted-in during phase one receive a copy of the RFQ/RFP in phase two. Historically, this process reduces the number of proposals

by targeting those industry partners who have researched their current capabilities and availability, and provides useful acquisition planning/milestone information.

For the phase two RFQ/RFP, competitive award criteria should be established (price/cost will always be a factor per 16.505(b)(1)(ii)(E)). Past performance was a part of the criteria for award for these contracts; however, OCOs are encouraged to consider it as a criterion. References and past performance information for specific vendors can be requested from the contract holder. Either best value/tradeoff or low price-technically acceptable evaluations are authorized at the RFQ/RFP level, with a preference for the former. FAR 16.505(b)(ii) provides great latitude in designing an appropriate streamlined evaluation scheme, and we encourage utilizing that latitude in ways which are reasonable for your requirement. FAR part 15 evaluations are not required, but if your announced evaluation structure replicates it, which increases the odds it will be seen as such. It is a best practice to disclaim a FAR part 15 evaluation in your RFQ/RFP. The government may require oral presentations at the order level. The government may evaluate quotations without discussions; and if that is planned it is recommended the RFQ/RFP advise of that and that each initial quote should contain the best terms. The OCO should select a response time consistent with the needs of the agency being paramount, with an aim to promote competition to the extent practicable.

## Section 843

The 8(a) STARS contract vehicle was competitively awarded pursuant to Section 8(a) of the Small Business Act (15 U.S.C. 637(a)) and FAR Part 19.8. Section 843 of the National Defense Authorization Act of 2008\* which applies to both civilian and DoD, is satisfied in two ways under 8(a) STARS:

- For directed orders under the \$3.5 million statutory competitive threshold, DFARS 216.505-70(b) (1) establishes a specific justification which applies when any statute expressly authorizes or requires that a purchase be made from a specified source.
- For orders requiring fair opportunity (those above the \$3.5 million statutory competitive threshold), DFARS 216.505-70(b) (2) applies and we have structured the ordering guidance consistent with it.

**\*DoD was formerly covered under section 803, NDAA 2002.**

## Price Analysis Guidelines

STARS GWAC ceiling pricing can be found in the STARS Contract Library at [www.gsa.gov/8astars](http://www.gsa.gov/8astars). The contract affords great flexibility to order Information Technology services, and also Information Technology services-based solutions. With that latitude comes the obligation to learn how those types of orders (fixed price, time and materials (T&M), labor hour (LH), hybrid) are required to be structured for price reasonableness and risk purposes by the Basic Contract's terms and conditions, and the responsibility to follow that structure at the task order level.

The contract allows for pricing of task orders on a fixed price (FP), time and material (T&M), or labor-hour (LH) basis, and for travel on a reimbursable basis pursuant to one of the recognized federal travel regulations designated by the customer for the order. Pre-priced labor categories (labor from the pre-priced contract line items) under task orders awarded pursuant to this contract, whether awarded on a FP, T&M, or LH basis, are capped at the pricing set forth in the ceiling labor rate tables found in the 8(a) STARS Contract Library at [www.gsa.gov/8astars](http://www.gsa.gov/8astars) and defined by associated labor category descriptions. The pre-priced labor rates in the labor rate tables reflect the fully burdened ceiling rates for the associated direct labor hours. Proposed work from pre-priced labor may not exceed the ceiling rates and is typically discounted.

Pricing formation will vary depending upon the contract type planned for the task order requirements. It should account for all resources to accomplish the order, but varies with the terms. The contractor is permitted, and ordinarily expected, to quote/propose labor rates that are lower than those established in the labor rate tables. OCO's may ask contractors to explain the basis for their rates quoted/proposed for task orders. The proposed reduced labor rates may be reviewed to ensure the Government will not be placed at risk of nonperformance. The reduced labor rates will apply only to the respective order and will not change the ceiling rates in the basic contract labor rate tables. The level of detail should be primarily based on the contract type planned for use, as further discussed below, and is supported by FAR 15.405(b), which states:

(b) The contracting officer's primary concern is the overall price the Government will actually pay. The contracting officer's objective is to negotiate a contract of a type and with a price providing the contractor the greatest incentive for efficient and economical performance. The negotiation of a contract type and a price are related and should be considered together with the issues of risk and uncertainty to the contractor and the Government. Therefore, the contracting officer should not become preoccupied with any single element and should balance the contract type, cost, and profit or fee negotiated to achieve a total result—a price that is fair and reasonable to both the Government and the contractor.

If not using Fixed-Price order types, FAR 16.601(d) requires contracting officers to document the rationale which applies to orders under STARS. The determination and findings required by FAR 16.601 (d) requires a higher level of review. Please check agency guidance for the required level of review and approval.

Some orders may have work containing a combination of contract types (hybrid blend), i.e., Fixed-Price, Time & Materials and Labor-Hour. The Ordering agency is responsible for identifying the applicable order type(s), and making the order terms clear, which should be stated in the RFQ/RFP and resulting order.

DoD has issued a final rule (Federal Register: November 24, 2008 (Volume 73, Number 227)) amending the Defense Federal Acquisition Regulation Supplement (DFARS) to address review and documentation requirements pertaining to the use of time-and-materials contracts for the acquisition of non-commercial services. The rule provides for the same level of review for both commercial and non-commercial DoD time-and-materials contracts.

When adequate price competition exists (see FAR 15.403-1(c)(1)), generally no additional information is necessary to determine price reasonableness.

OCO consent to subcontract may be implemented in accordance with FAR 44.2 Consent to Subcontracts, and FAR 52.244-2, Subcontracts.

### **Proposals, quotes and orders for Fixed-Price work**

The OCO must determine fair and reasonable pricing for all Fixed-Price orders in accordance with FAR 15.4, Pricing, and FAR 16.2, Fixed-Price Contracts. The basic contract's T&M and LH ceiling rates may be useful in developing an Independent Government Estimate. **GWAC Orders & modifications utilizing ARRA funds should be fixed price to the extent practicable.**

When FP work is drawn from the pre-priced labor categories, the presence of adequate price competition "APC" (as defined by the FAR) for the task order requirement, when found to exist by the OCO, is ordinarily sufficient to establish the fairness and reasonableness of the price for the work based upon the bottom line quoted/proposed order price. FAR 15.403-1(c) (1) & FAR 15.404-1(b) establish the order of precedence and alternatives for price analysis. The OCO should determine if prospective order prices are, or are not, fair and reasonable and document

those decisions accordingly. Orders are required to have fair and reasonable pricing. In the above fact scenario, if there is not APC the OCO should take additional steps to ascertain if the pricing is, or is not, fair and reasonable. The OCO has discretion as to the applicable analysis techniques to accomplish this necessary review pursuant to the FAR and good business judgment, and should always document their results. OCOs may include a simple question to support the analysis of labor category composition being from the basic contract's pre-priced labor categories or not in their RFQs or RFPs, that being "Does the direct labor in your quote/proposal consist entirely of labor from the contract's pre-priced labor categories?", with a "yes" or "no" choice to be completed by the quoting/proposing firm. Many OCOs will want to ask for the quotes or proposals to list the labor categories utilized, and if quotes or proposals are submitted that show different labor categories than those in the basic contract, can inquire if the labor categories map over to the contract labor categories or not as a clarification.

Using the pre-priced labor categories has benefits over using the contract authority to add in additional labor categories for an order. When the fixed-price work is expected to only be partially drawn from the pre-priced labor categories, the portion of the work that is covered by them should be reviewed per the rules of procedure established in the last fact scenario immediately above. However, the portion of the work relying upon basic contract section B.3.1 ("B.3.1" hereafter) of 8(a) STARS permits inclusion of other direct costs (as defined in the contract) with or without a handling fee as further explained below.

The mechanics of including other direct costs (as defined in the contract) have been structured in the contract, are easy to use and simply need to be executed. FAR 16.505(b) (3), shown below, provides guidance on pricing such items:

16.505 (b) (3) *Pricing orders.* If the contract did not establish the price for the supply or service, the contracting officer must establish prices for each order using the policies and methods in Subpart 15.4.

It is simplest to have the pricing for other direct costs (as defined in the contract) to be broken out as separate items from the balance of the services based in pre-priced labor in quotes and proposals in order to support the price analysis. The FP work may be awarded for an overall price, with a not to exceed line item amount for travel (travel is subject to a customer designated recognized federal travel regulation), but we recommend additional review of the pricing of other direct costs to guide the ultimate price analysis decision. This does not preclude an offeror from offering a package discount to the overall bottom line price that was based upon the itemized price build up. This does not preclude an OCO from applying FAR 15.404-1, including 15.404-1(f)(1-2)'s treatment of Unit Price, shown below; it simply recommends due diligence on the pricing build up leading to the bottom line price before the application of a discount per FAR 16.505(b)(3) (shown above):

(1) Except when pricing an item on the basis of APC or catalog or market price, unit prices shall reflect the intrinsic value of an item or service and shall be in proportion to an item's base cost (e.g., manufacturing or acquisition costs). Any method of distributing costs to line items that distorts the unit prices shall not be used. For example, distributing costs equally among line items is not acceptable except when there is little or no variation in base cost.

(2) Except for the acquisition of commercial items, contracting officers shall require that offerors identify in their proposals those items of supply that they will not manufacture or to which they will not contribute significant value, unless APC is expected (10 U.S.C. 2304 and 41 U.S.C. 254(d)(5)(A)(i)). Such information shall be used to determine whether the intrinsic value of an item has been distorted through application of overhead and whether such items should be considered for breakout. The contracting officer may require such information in all other negotiated contracts when appropriate.



So, while the basic contract provides for the opportunity to charge a markup to the cost of other direct costs (as defined in the contract), in order to realize the benefits of FAR 15.404-1(f)(1-2) for price analysis purposes the conditions stated therein need to be satisfied, meaning, that if offerors solely base their pricing for other direct costs on catalog or market prices, and/or if there is APC for the requirements, it provides a prima-facie case/proof positive of price reasonableness without having to require further visibility into component costs barring any patent evidence to the contrary. If the conditions of 15.404-1(f) (1-2) cannot be deemed satisfied, the OCO should take additional steps to determine if the pricing is, or is not, fair and reasonable. The OCO has discretion as to the applicable analysis techniques to accomplish this necessary review pursuant to the FAR and good business judgment, and should always document their results.

Per B.3.1 of the basic contract, travel may be included in orders as a not to exceed line item. If a handling charge is going to be permitted for travel, the amount of the charge needs to be predetermined in the quotes, proposals and orders, and may not exceed the ceiling rate established in the basic contract. It may be simplest to rule out such a charge for price reasonableness purposes.

The fixed price work may be paid pursuant to the Payments clause. Additional FP work may be added via the Changes clause if it is deemed to be in scope and is subject to the same type of price analysis.

#### **Proposals, quotes and orders for Labor Hour work**

The Basic Contract provides competitive Loaded Hourly Labor Rates within CONUS for L-H type orders. This labor category ceiling pricing is posted on STARS GWAC website ([www.gsa.gov/8astars](http://www.gsa.gov/8astars)) for the base period and awarded options. The OCO is responsible for considering the place of performance, level of effort, and the mix of labor proposed to perform a specific task being ordered, and for determining that the total price for the task order is appropriate given the requirements and order terms. Basic contract line item prices are not de-facto task order prices. Competition for task orders is expected to result in even more competitive order pricing which the OCO should review for fairness and reasonableness in accordance with FAR 15.4, Pricing, and FAR 16.601 Time and Materials Contracts. Labor category descriptions can be found in the STARS Contract Library in Section J of the STARS Contract.

The OCO is further authorized to establish different skill categories and loaded hourly rates suited to meet the ordering agency's specific requirements and determine fair and reasonable pricing in accordance with FAR 15.4, Pricing, and FAR 16.601 Time and Materials Contracts when materially different skill categories are deemed by the OCO to be necessary and integral to the IT Service or IT Service Based Solution. Upon request of the OCO, the Contractor shall provide other than cost or pricing data, to include, a cost element breakdown of each Loaded Hourly Labor Rate, including Profit, in accordance with the Contractor's cost accounting system, as well as any other supporting information the OCO deems necessary.

#### ***Entirely drawn from the contract's pre-priced labor categories***

For Labor-Hour task orders, when the work is entirely drawn from the pre-priced labor categories (which can only occur for pure labor-hour terms, as time and materials terms will naturally include the use of materials), the presence of APC for the task order requirement, when found to exist by the OCO, lends itself to establishing the fairness and reasonableness of the work. Even when there is APC additional discretionary steps are available to further ascertain if the pricing is, or is not, fair and reasonable, including reviewing the proposed labor mix. It is recommended OCOs take those steps when there is not APC. In either case (with or without APC), the contract's consistent labor category structure promotes consistency, advancing the price analysis

considerably. FAR 15.403-1(c) (1) and 15.404-1(b) establish the order of precedence and alternatives for price analysis. The OCO should determine if prospective order prices are, or are not, fair and reasonable and document that decision accordingly. Orders are required to have fair and reasonable pricing. The OCO has discretion as to the applicable analysis techniques to accomplish this necessary review, and should always document their results. Although contractors should construct their quotes and offers under these terms in a way that the majority of the work is drawn from the pre-priced labor categories, a reminder of that in your RFQs and RFPs is a good practice. This type of commonality will be useful in conducting apples-to-apples comparisons of quotes and proposals for this type of work. OCOs may include a simple question to support the analysis of labor category composition being from the pre-priced labor categories in the basic contract or not in their RFQs or RFPs, that being "With the exception of travel expenses, does the direct labor in your quote/proposal consist entirely of labor from the contract's pre-priced labor categories?", with a "yes" or "no" choice to be completed by the quoting/proposing firm. Many OCOs will want to ask for the quotes and proposals to list the labor categories utilized, and if quotes and proposals are submitted that show different labor categories than those in the basic contract, can inquire if the labor categories map over to the contract labor categories or not as a clarification.

Per B.3.1 of the basic contract, travel may be included in orders as a not to exceed line item. If a handling charge is going to be permitted for travel, the amount of the charge needs to be predetermined in the quotes, proposals and orders, and may not exceed the ceiling rate established in the basic contract. It may be simplest to rule out such a charge for price reasonableness purposes.

The Payments Under Time and Materials and Labor-Hour Contracts clause is applicable to the labor hours that are drawn from the contract's pre-established labor categories at the agreed to rates in the task order, which may not exceed the contract's ceiling rates. Additional LH work may be added via the Changes clause if it is deemed to be in scope and is subject to the same type of price analysis.

***Includes labor categories other than those pre-priced in the basic contract***

The portion of the work that is covered by the contract's labor categories should be reviewed consistent with the rules of procedure established in the earlier fact scenario for Labor-Hour work in this section. Although contractors should construct their quotes and offers under these terms in a way that the majority of the work is drawn from the pre-priced labor categories, a reminder of that in your RFQs and RFPs is a good practice. This type of commonality will be useful in conducting apples-to-apples comparisons of quotes and proposals for this type of work and promoting APC. However, the portion of the work relying upon the other direct costs portion of B.3.1 for additional labor categories (as defined in the contract) deserves price analysis attention as detailed at B.3.1.

It is not sufficient for pricing purposes to rely upon the Payments Under Time and Materials and Labor-Hour Contracts clause to set prices of other direct costs (as defined in the contract) under a LH order which relies upon labor that was not pre-priced in the basic contract, although the concepts do apply. The mechanics of including other direct costs for additional labor categories (as defined in the contract) have been structured in the contract, are easy to use and simply need to be executed. It is probably simplest to ask for the pricing for other direct costs for additional labor categories (as defined in the contract) to be broken out as separate line items since offerors should formulate, and OCOs should review, that pricing per the contract's terms, where other direct costs for additional labor categories should be fully definitized up front in the order, or through order modifications via the Changes clause as the needs are established provided they are within the order's overall scope. FAR 15.403-1(c) (1) & FAR 15.404-1(b) establish the order of precedence and alternatives for price analysis. The OCO should determine if prospective order prices are, or are not, fair and reasonable and document that decision accordingly. Orders

are required to have fair and reasonable pricing. This does not preclude an OCO from applying FAR 15.404-1, including 15.404-1(f)(1-2)'s treatment of Unit Price, shown below; it simply recommends a little more due diligence on the pricing build up leading to the bottom line price per FAR 16.505(b)(3):

(1) Except when pricing an item on the basis of APC or catalog or market price, unit prices shall reflect the intrinsic value of an item or service and shall be in proportion to an item's base cost (e.g., manufacturing or acquisition costs). Any method of distributing costs to line items that distorts the unit prices shall not be used. For example, distributing costs equally among line items is not acceptable except when there is little or no variation in base cost.

(2) Except for the acquisition of commercial items, contracting officers shall require that offerors identify in their proposals those items of supply that they will not manufacture or to which they will not contribute significant value, unless APC is expected (10 U.S.C. 2304 and 41 U.S.C. 254(d)(5)(A)(i)). Such information shall be used to determine whether the intrinsic value of an item has been distorted through application of overhead and whether such items should be considered for breakout. The contracting officer may require such information in all other negotiated contracts when appropriate.

So, while the basic contract provides for the opportunity to charge a markup to the cost of other direct costs for additional labor categories (as defined in the contract), in order to realize the benefits of FAR 15.404-1(f)(1-2) for price analysis purposes the conditions stated therein need to be satisfied, meaning, that if offerors solely base their pricing for other direct costs for additional labor categories on catalog or market prices, and/or if there is APC for the requirements, it provides a prima-facie case/proof positive of price reasonableness without having to require further visibility into component costs barring any patent evidence to the contrary. If the conditions of 15.404-1(f) (1-2) cannot be deemed satisfied, the OCO should take additional steps to determine if the pricing is, or is not, fair and reasonable. The OCO has discretion as to the applicable analysis techniques to accomplish this necessary review pursuant to the FAR and good business judgment, and should always document their results.

Per B.3.1 of the basic contract, travel may be included in orders as a not to exceed line item. If a handling charge is going to be permitted for travel, the amount of the charge needs to be predetermined in the quotes, proposals and orders, and may not exceed the ceiling rate established in the basic contract. It may be simplest to rule out such a charge for price reasonableness purposes.

### **Proposals, quotes and orders for Time and Materials work**

The Basic Contract provides competitive Loaded Hourly Labor Rates within CONUS for T&M and type orders. This labor category ceiling pricing is posted on STARS GWAC website ([www.gsa.gov/8astars](http://www.gsa.gov/8astars)) for the base period and awarded options. The OCO is responsible for considering the place of performance, level of effort, and the mix of labor proposed to perform a specific task being ordered, and for determining that the total price for the task order is appropriate given the requirements and order terms. Basic contract line item prices are not de facto task order prices. Competition for task orders is expected to result in even more competitive order pricing which the OCO should review for fairness and reasonableness in accordance with FAR 15.4, Pricing, and FAR 16.601 Time and Materials Contracts. Labor category descriptions can be found in the STARS Contract Library in Section J of the STARS Contract.

The OCO is further authorized to establish different skill categories and loaded hourly rates suited to meet the ordering agency's specific requirements and determine fair and reasonable pricing in accordance with FAR 15.4, Pricing, and FAR 16.601 Time and Materials Contracts when materially different skill categories are deemed by the OCO to be necessary and integral to the IT Service or IT Service Based Solution. Upon request of the OCO, the Contractor shall provide

other than cost or pricing data, to include, a cost element breakdown of each Loaded Hourly Labor Rate, including Profit, in accordance with the Contractor's cost accounting system, as well as any other supporting information the OCO deems necessary.

Using the pre-priced labor categories has benefits over using the contract authority to add in additional labor categories for an order. The portion of the work that is covered by the contracts labor categories should be reviewed per the rules of procedure established in the last fact scenario for Labor-Hour work immediately above. Although contractors should construct their quotes and offers under these terms in a way that the majority of the work is drawn from the pre-priced labor categories, a reminder of that in your RFQs and RFPs is a good practice. This type of commonality will be useful in conducting apples-to-apples comparisons of quotes and proposals for this type of work. However, the portion of the work relying upon Section B.3.1 of 8(a) STARS that permits inclusion of other direct costs (as defined in the contract) deserves price analysis attention as detailed at B.3.1.

It is not sufficient for pricing purposes to rely upon the Payments Under Time and Materials and Labor-Hour Contracts clause to set prices of other direct costs (as defined in the contract) under a Time and Materials order, although the concepts do apply. The mechanics of including other direct costs (as defined in the contract) have been structured in the contract, are easy to use and simply need to be executed. It is probably simplest to ask for the pricing for other direct costs (as defined in the contract) to be broken out as separate line items since offerors should formulate, and OCOs should review, that pricing per the contract's terms, where other direct costs should be fully definitized up front in the order, or through order modifications via the Changes clause as the needs are established provided they are within the order's overall scope. FAR 15.403-1(c) (1) & FAR 15.404-1(b) establish the order of precedence and alternatives for price analysis. The OCO should determine if prospective order prices are, or are not, fair and reasonable and document that decision accordingly. Orders are required to have fair and reasonable pricing. This does not preclude an OCO from applying FAR 15.404-1, including 15.404-1(f)(1-2)'s treatment of Unit Price, shown below; it simply recommends a little more due diligence on the pricing build up leading to the bottom line price per FAR 16.505(b)(3):

(1) Except when pricing an item on the basis of APC or catalog or market price, unit prices shall reflect the intrinsic value of an item or service and shall be in proportion to an item's base cost (e.g., manufacturing or acquisition costs). Any method of distributing costs to line items that distorts the unit prices shall not be used. For example, distributing costs equally among line items is not acceptable except when there is little or no variation in base cost.

(2) Except for the acquisition of commercial items, contracting officers shall require that offerors identify in their proposals those items of supply that they will not manufacture or to which they will not contribute significant value, unless APC is expected (10 U.S.C. 2304 and 41 U.S.C. 254(d)(5)(A)(i)). Such information shall be used to determine whether the intrinsic value of an item has been distorted through application of overhead and whether such items should be considered for breakout. The contracting officer may require such information in all other negotiated contracts when appropriate.

So, while the basic contract provides for the opportunity to charge a markup to the cost of other direct costs (as defined in the contract), in order to realize the benefits of FAR 15.404-1(f)(1-2) for price analysis purposes the conditions stated therein need to be satisfied, meaning, that if offerors solely base their pricing for other direct costs on catalog or market prices, and/or if there is APC for the requirements, it provides a prima-facie case/proof positive of price reasonableness without having to require further visibility into component costs barring any patent evidence to the contrary. If the conditions of 15.404-1(f) (1-2) cannot be deemed satisfied, the OCO should take additional steps to determine if the pricing is, or is not, fair and reasonable. The OCO has discretion as to the applicable analysis techniques to accomplish this necessary review pursuant to the FAR and good business judgment, and should always document their results.

Per B.3.1 of the basic contract, travel may be included in orders as a not to exceed line item. If a handling charge is going to be permitted for travel, the amount of the charge needs to be predetermined in the quotes, proposals and orders, and may not exceed the ceiling rate established in the basic contract. It may be simplest to rule out such a charge for price reasonableness purposes.

## Incentives

The OCO must evaluate and determine the appropriateness of all Incentive terms, and develop a surveillance plan to implement and monitor an Award-Fee, Incentive-Fee, or Award-Term result in accordance with FAR 15.4, Pricing, and FAR 16.4, Incentive Contracts.

During fair opportunity competition for hybrid blend, T&M or L-H task orders, contractors may apply handling rates not exceeding their ceiling handling rates in this contract pursuant to the contract type selected for the line item. These handling rates must be translated into a specific task order charge. All ceiling rate line items must be definitized in the original task order or in a modification to a task order.

1. Supplies (this includes equipment, software and other tangible items)
2. Travel (it is permitted to set up a budgetary line item for this in an order with FP, T&M, and L-H terms, and for the controls of the FTR, JTR and JFTR [applicable travel regulations are to be identified in the order] to govern reimbursement)
3. Incidental Construction (shall be fully definitized up front in each order)
4. Other Direct Costs (this includes materially DIFFERENT skill categories (shall be fully definitized up front in each order)

Ceiling handling rates are to include profit/fee as follows:

(1) Profit/fee is not allowable for travel, shall not be in those rates, and shall never be applied to travel.

(2) Fee/profit is allowable for the other classes besides travel. Handling Rates for classes 1, 3 and 4 shall be inclusive of fee/profit. No separate application of fee/profit to any of the four classes is permitted – it, like indirect charges, is bounded by the single ceiling handling rate for each class.

Ceiling handling rates may be found in the ceiling pricing spreadsheets at [www.gsa.gov/8astars](http://www.gsa.gov/8astars) in the Contract Library.

## Task Order Awards/Issuance

Task orders will ordinarily include the use of standard government forms, including:

- GSA Form 300
- Standard Form 1449
- DD Form 1155
- Other authorized agency form

Task orders may be distributed by mail, fax or e-mail. Oral orders are not authorized. One copy of orders and the associated SOW/SOO (along with any subsequent contract modifications) shall be sent to GSA at the address listed in Appendix I.

**After award of any task order (above and below the \$3.5 million competitive threshold) the Ordering Contracting Officer must provide the Small Business GWAC Center a copy of the task order, statement of work, and subsequent modifications.**

## Debriefings

In accordance with the National Defense Authorization Act (NDAA) of 2008 the contracting officer shall notify unsuccessful awardees for task or delivery orders in excess of **\$5,000,000**:

- The procedures at 15.503(b)(1) shall be followed when providing postaward notification to unsuccessful awardees.
- The procedures at 15.506 shall be followed when providing postaward debriefing to unsuccessful awardees.
- A summary of the debriefing shall be included in the task or delivery order file.

## Alternate Dispute Resolution

Alternate Dispute Resolution (ADR) procedures increase the opportunity for relatively inexpensive and expeditious resolution of issues in controversy. These procedures may be used at any time that the OCO has authority to resolve the issue in controversy. If the Contractor submits a claim, ADR procedures may be applied to all or part of the claim. The Contractor must certify its claim in accordance with FAR 33.207. When ADR procedures are used after the issuance of a Contracting Officer's final decision, the time limitations or procedural requirements for filing an appeal of the Contracting Officer's final decision are not altered.

## Order Level Protest

In accordance with NDAA 2008, no protest under **\$10,000,000** is authorized in connection with the issuance or proposed issuance of an order under a Task-Order Contract or Delivery-Order Contract, except for a protest on the grounds that the order increases the scope, period of performance, or maximum value of the Contract consistent with FAR 16.505.(a)(9) that predates NDAA 2008".

The Comptroller General of the United States has jurisdiction over any protests greater than **\$10,000,000** in accordance with the NDAA 2008.

## OMBUDSMAN Process

In accordance with FAR 16.505(b)(5) [and 10 U.S.C. § 2304c(3)], complaints related to matters affecting order award may be directed to the Ombudsman. The Ombudsman for GSA is:

SPECIAL ASSISTANT FOR CONTRACTING INTEGRITY  
OFFICE OF ACQUISITION POLICY (MV)  
1800 F STREET, NW – ROOM 4031  
WASHINGTON, DC 20405-0002  
PHONE: (202) 501-4770  
FAX: (202) 501-1986

## **Past Performance**

At completion of task order performance, the client agency is required by FAR complete a past performance record for the contractor. We recognize customer agencies may already have established past performance systems they routinely utilize (i.e., CPARS or PPIRS), and they are generally acceptable. The SBGWAC Center may inquire about contractor performance from time to time by survey or telephone call.

## **Order Close Out & Record Keeping**

It is the OCO's responsibility to close out orders per FAR 4.804 and 4.805 [DFAR 204.804 and 204.805].

## **Claiming Socioeconomic Credit**

### **FPDS-NG Reporting**

Ordering agencies as well as third party assisted contracting services are required to report all 8(a) STARS orders in FPDS-NG. Proper reporting ensures that the agencies are receiving applicable socio-economic credit.

### **Direct Acquisition**

Direct acquisition is when agency contracting officers obtain delegation of procurement authority from the SBGWAC center to utilize the SBGWAC center's contract vehicles (8a STARS, COMMITS, Alliant SB and VETS) in support of their own agency's procurements.

When an agency places an order directly against the SBGWAC vehicle it is the agency's responsibility to report that award in the FPDS system. This will be done via agency specific guidelines and their own agency's method for reporting these awards (direct FPDS-NG data entry or through a feeder system). The FPDS-NG user's guide can be located at <http://www.fpdsg.com/downloads/FPDS-NG%20User's%20Manual.doc>

Some of the information being reported will include:

- Contracting Office Agency ID\* (FPDS-NG user's guide 3.4.1)
- Contracting Office Agency Name (FPDS-NG user's guide 3.4.2, auto populates from the ID above)
- Contracting Office ID\* (FPDS-NG user's guide 3.4.3)
- Contracting Office Name (FPDS-NG user's guide 3.4.3, auto populates from the ID above)

\* FIPS 95 codes associated with the agency

### **Assisted Contracting Services**

Assisted Contracting Services are when an agency chooses to use a third party to award and administer task orders for them. This is optional and is a determination made solely by the agency.

If the ordering agency chooses to use a third party to procure the services for them the third party will typically report the order in FPDS-NG against the proper contract vehicle. The third party will typically report information about itself and ALSO report information about the customer, which gives the agency that chose to use the third party proper socio-economic credit.

Some of the information reported by the third party about itself includes:

- Contracting Office Agency ID (FPDS-NG user's guide 3.4.1)
- Contracting Office Agency Name (FPDS-NG user's guide 3.4.2, auto populates from the ID above)
- Contracting Office ID (FPDS-NG user's guide 3.4.3)
- Contracting Office Name (FPDS-NG user's guide 3.4.3, auto populates from the ID above)

Some of the information reported by the third party about the customer includes:

- Funding Agency ID\* (FPDS-NG users' guide 3.4.5)
- Funding Agency Name (FPDS-NG user's guide 3.4.6, auto populates from the ID above)
- Funding Office ID\* (FPDS-NG user's guide 3.4.7)
- Funding Office Name (FPDS-NG User's guide 3.4.8, auto populates from the ID above)

\* These IDs are the FIPS 95 codes used by the customer

When using the third party assisted contracting services, it is useful for the customer to inform the third party of the FIPS 95 funding codes to use when reporting the Funding Agency ID and the Funding Office ID.

To guarantee the proper socio-economic credit is received, it is important for the customer to ensure that the FIPS 95 codes are as specific as desired. If the customer finds that their agency's funding IDs are not as specific as they would like, this can be updated through the FIPS update process.

In addition to the above information being reported in FPDS, it is mandatory for the agency to report the reason for purchase. Please reference section 3.4.10 of the FPDS-NG user's guide for specific information regarding this requirement.

This must be a valid value from the FPDS-NG data dictionary. If program/funding agency code is DOD and product/service code begins with 70, D3, H170, H270, H370, H970, J070, K070, L070, N070, U012, or W070, then reason for purchase must not be blank. Otherwise, leave blank. When the contracting agency or the funding agency is DOD and this procurement is for computer hardware or services, select a value for the reason certified by the funding office.

Validation Rule 4E: [http://www.fpdsng.com/downloads/FPDS-DES-SDD-validation\\_rules-DES\\_121005.doc#\\_Toc96502555](http://www.fpdsng.com/downloads/FPDS-DES-SDD-validation_rules-DES_121005.doc#_Toc96502555)

# Industry Partner Guidance

## Contractor Responsibility – task order level

Overall responsibility has been determined for each GWAC contractor. However, in accordance with FAR 9.405-1 and the Office of Federal Procurement Policy Memorandum, "Contractor Responsibility Determinations and Indefinite-Delivery Contracts," dated April 16, 2002, it is highly recommended that OCOs complete and document an Excluded Parties List review on contractors they intend to award task orders to *prior* to making each task order award.

This policy is also consistent with DFARS 209.405-1.

## Subcontracting

All Industry Partners are required to submit a subcontracting report semi-annually. The reporting period runs from June through November with reports due December 30<sup>th</sup> and from December to



May with reports due by June 30<sup>th</sup>. These reports are reviewed by the Small Business GWAC Center staff for compliance with FAR 52.219-14 Limitations on Subcontracting. These reports are a mandatory requirement of the 8(a) STARS contract. An industry partners failure to comply with this obligation will result in corrective action i.e. performance improvement plan, option not exercised, and possible termination of contract.

It is the Industry Partners responsibility to verify the current format and requirements of the subcontracting report prior to submitting. This format can be viewed on the 8(a) STARS website at [www.gsa.gov/8astars](http://www.gsa.gov/8astars) by clicking in the upper left hand corner on the "Contract Library" tab.

## **Delegations**

It is also a responsibility of the 8(a) STARS Industry Partners to ensure that any OCO issuing orders against the 8(a) STARS has a delegation of procurement authority prior to issuing orders against this contract. No work will be performed, no debt or obligation accrued and no payment will be made except as authorized by a bona-fide written order signed by a contracting officer having a delegation of procurement authority to use the 8(a) STARS contract. If an 8(a) STARS Industry Partner is unsure if an OCO has delegation of procurement authority, please contact the Small Business GWAC Center.

## **Sales reporting**

Industry Partners are required to report sales and pay the Contract Access Fee (CAF) of 0.75% quarterly in accordance with Section G of the 8(a) STARS contract. The fiscal year is October 1 through September 30. Quarterly sales and CAF payment are reported/paid through the GWAC Management Module.

All unit prices for line items quoted (for pre-priced labor categories) should be fully burdened (inclusive of the entire - regular hourly rate, fringe benefits, product price, any other indirect charges, profit, and the 0.75 percent Contract Access Fee (CAF)). When formulating each unit price, the CAF should be applied last.

Section 508 compliance assurances should be included in all applicable quotes.

## Notification of Changes

The Industry Partner should notify the Small Business GWAC Center when changes occur to their companies. The following are examples:

- Change of Contract Manager
- Change of Contact Information
  - Address, Fax Number, Phone Number, Email, Website
- Change of Ownership (see 52.215-19 Notification of Ownership Changes) Section I.2 of the contract
- Change of Company Name

All Industry Partners are required to register in the Central Contractor Registration (CCR) located on the Business Partner Network website at ([www.bpn.gov](http://www.bpn.gov)). Industry Partners will need to maintain complete up-to-date registrations and diligently monitor their accounts in CCR. Registrations require annual renewal.

## Performance Matters (see contract for complete listing)

- The Contractor shall be bound by the terms and conditions in the contract and in orders
- Maximum order amount not to exceed is \$15 billion for the program, and decreases by value of orders issued
- Contractors are required to pay 0.75 percent Contract Access Fee in accordance with Clause G.6.1, Contract Access Fee Remittance. (See contract for detailed instructions. The GWAC Sales Reporting tool is available at <https://gwac.gsa.gov/>.)
- Contractors are required to register in the Central Contractor Registration (CCR) in accordance with Clause 52.204-7, Central Contractor Registration
- Contractors are required to re-represent their small business status prior to exercise of options
- Contractors are required to keep their contract in compliance with the Subcontracting Clauses included in the contract

## Higher Risk Work Scope Areas

The following types of work can be IT services and solutions if established properly. However, under representation of IT professional services and overrepresentation of non-IT services and/or products can occur and is problematic, so we strongly advise due diligence and consultation with this Center and your legal and technical advisors.

- **Help Desk**
- **Call Center**
- **Software Licensing/Software License Management**
- **Cabling and Wiring**
- **Professional Services (i.e. Consulting, Project Management)**

## Not Allowed on 8(a) STARS

- **Renting** (it is ok for a contractor to enter into rental agreements, but the government will not be a party to them)
- **Leasing** (it is ok for a contractor to enter into leases, but the government will not be a party to them)
- **Blanket Purchase Agreements (BPAs)**
- **Cost Contracts**

## **Past Performance**

Please monitor your organization's status in the various Federal past performance record systems, such as the Past Performance Information Retrieval Systems "PPIRS" ([www.ppirs.gov](http://www.ppirs.gov)) and Contractor Performance Assessment Reporting System "CPARS" ([www.ppirs.gov](http://www.ppirs.gov)). Contractors may often provide input into those records.

## **OMBUDSMAN Process**

In accordance with FAR 16.5 disputes related to matters affecting order award may be directed to the Ombudsman. The Ombudsman for GSA is:

SPECIAL ASSISTANT FOR CONTRACTING INTEGRITY  
OFFICE OF ACQUISITION POLICY (MV)  
1800 F STREET, NW – ROOM 4031  
WASHINGTON, DC 20405-0002  
PHONE: (202) 501-4770  
FAX: (202) 501-1986

# Roles and Responsibilities

GSA is designated by OMB to issue the GWACs under our purview, and with that designation rests oversight. In addition to reviewing task order scope and addressing any scope mismatches, GSA reports the following to the OMB from time to time: statistics on fair opportunity ordering, the number of tasks that include performance-based statements of work/are PBSA, task order types, competitive participation for orders, exceptions to the fair opportunity process, order award values, and socio-economic breakdown.

## 8(a) STARS PCOs

- Reside in the Center
- Have exclusive, non-delegable rights modify 8(a) STARS basic contract terms and conditions.
- Provides advice and guidance to requiring activities, OCOs and contractors regarding scope and acquisition regulations
- Help requiring activities understand how 8(a) STARS can be used to meet IT requirements
- Conducts periodic meeting with 8(a) STARS prime contractors

## REQUIRING ACTIVITY

- Defines order requirements
- Prepares SOW/SOO for order RFQs/RFPs
- Funds requirements
- Ensures IT capital planning
- Assists OCO with quote/proposal evaluation
- Assists OCO with performance monitoring and appraisal

## OCO's (with delegations of procurement authority for 8(a) STARS)

- Serves as the default COR/COTR for orders (may re-delegate to requiring activity)
- Place order(s) per terms of delegation of procurement authority
- May not modify the basic 8(a) STARS contracts
- Maintains focus on individual orders
- Conducts optional size re-representation at the task order level
- Provides fair opportunity to 8(a) STARS contractors
- Manages order administration
- Provide order supplemental data in GWAC Management Module
- Oversees and executes in-scope order modifications
- Resolves order disputes
- Performs order close out

Note: 8(a) STARS contracts are available in IT Solutions Shop in the 8(a) STARS contract family. In many cases, there are multiple pick lists for each 8(a) STARS functional area.

Only a warranted contracting officer having order authority (OCO) may make any required change to a previously issued order and the change must be in writing. For further information, contact Center personnel at [8a@gsa.gov](mailto:8a@gsa.gov) or call toll free at (877) 327-8732.

# Appendix I

## *Small Business Government Wide Acquisition Contracts Center*

### **U.S. General Services Administration**

Federal Acquisition Service  
Small Business Governmentwide  
Acquisition Contracts Center  
Room 1076/6FG  
1500 East Bannister Road  
Kansas City, MO 64131  
**Toll free: (877) 327-8732**  
**Fax: (816) 823-1608**  
[www.gsa.gov/sbgwac](http://www.gsa.gov/sbgwac)  
[www.gsa.gov/8astars](http://www.gsa.gov/8astars)

# Appendix II

## *Applicable Documents, Websites and E-mail Addresses:*

### **8(a) STARS GWAC**

[www.gsa.gov/8astars](http://www.gsa.gov/8astars)

E-mail: [8a@gsa.gov](mailto:8a@gsa.gov)

### **VETS GWAC**

[www.gsa.gov/vets](http://www.gsa.gov/vets)

E-mail: [vetsgwac@gsa.gov](mailto:vetsgwac@gsa.gov)

### **COMMITTS GWAC**

[www.gsa.gov/commits](http://www.gsa.gov/commits)

E-Mail: [commits@gsa.gov](mailto:commits@gsa.gov)

### **Alliant SB**

[www.gsa.gov/alliantsb](http://www.gsa.gov/alliantsb)

E-mail: [alliantsb@gsa.gov](mailto:alliantsb@gsa.gov)

### **GSA's Center for Acquisition Excellence (online DPA training)**

[Cae.gsa.gov](http://Cae.gsa.gov)

### **Small Business Governmentwide Acquisition Contracts Center**

[www.gsa.gov/sbgwac](http://www.gsa.gov/sbgwac)

E-mail: [sbgwac@gsa.gov](mailto:sbgwac@gsa.gov)

### **How to Contact the GSA Assisted Acquisition Service**

[www.gsa.gov/aas](http://www.gsa.gov/aas)

### **Information Technology Solutions Shop On-line Ordering**

<http://it-solutions.gsa.gov/>

### **GSA Order ADM 4800.2E**

[http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA\\_BASIC&contentId=8128&noc=T](http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA_BASIC&contentId=8128&noc=T) This Order provides definitions and listings of agencies and other activities authorized to use GSA sources of supply and services. It also provides definitive guidelines concerning eligibility requirements.

### **GSAM-General Services Administration Acquisition Manual**

[www.acqnet.gov/GSAM/gsam.html](http://www.acqnet.gov/GSAM/gsam.html)

### **Federal Acquisition Regulations (FAR)**

[www.acqnet.gov/far/](http://www.acqnet.gov/far/)

### **Labor Category Descriptions,**

[www.gsa.gov/8astars](http://www.gsa.gov/8astars) , under 8(a) STARS Document Library, Section J of the contract

### **Section 508 Accessibility Standards**

[www.access-board.gov](http://www.access-board.gov)

### **Section 803 Competition Requirements for Purchases of Services Under Multiple Award Contracts**

[www.acq.osd.mil/dp](http://www.acq.osd.mil/dp)

### **Small Business Administration, 8(a) Program**

<http://www.sba.gov/8abd/>

**Vendor Support Center (VSC)**  
[www.gsa.gov/vendorsupportcenter](http://www.gsa.gov/vendorsupportcenter)

# Appendix III

## Glossary

<b>ARRA</b>	American Recovery and Reinvestment Act
<b>ACT</b>	Accounting Control Transaction
<b>CAF</b>	Contract Access Fee
<b>Center</b>	Small Business GWAC Center
<b>CO</b>	Contracting Officer
<b>COR</b>	Contracting Officer's Representative
<b>Executive Agent GWAC</b>	Required designation by Office of Management and Budget to manage a
<b>FA</b>	Functional Area
<b>Fair Opportunity</b>	Fair opportunity to be considered will normally be provided to all Contract holders in the applicable Functional Area pool on RFQ/RFP/orders exceeding the 8(a) competitive threshold
<b>FAR</b>	Federal Acquisition Regulations
<b>FAS</b>	Federal Acquisition Service
<b>FTR</b>	Federal Travel Regulations
<b>GSA</b>	General Services Administration
<b>GSAM</b>	General Service Administration Acquisition Manual (GSAM)
<b>GWAC MM</b>	GWAC Management Module
<b>GWAC</b>	Government Wide Acquisition Contract
<b>IDIQ</b>	Indefinite Delivery Indefinite Quantity (see also FAR Part 16)
<b>IT</b>	Information Technology
<b>ITSS</b>	Information Technology Solutions Shop, <a href="http://it-solutions.gsa.gov/">http://it-solutions.gsa.gov/</a>
<b>JTR</b>	Joint Travel Regulations
<b>Limitation On Subcontracting</b>	See FAR 52.219-14, Limitation on Subcontracting; "at least 50% of the cost of contract performance incurred for personnel shall be expended for employees of the concern." See <a href="http://www.arnet.gov/far/">http://www.arnet.gov/far/</a> .
<b>Multi-Phased</b>	Approach to order competition where all contract holders are sent an RFI



<b>Approach</b>	asking their interest in a particular task using a task synopsis. All 8(a) STARS contract holders that opt-in/express further interest are sent the task RFQ/RFP.
<b>NAICS</b>	North American Industrial Classification System
<b>ODC</b>	Other Direct Costs. Those costs incurred by the contractor (when authorized by an order) to obtain supplies or services, including hardware, software, training, additional labor categories, etc.
<b>OMB</b>	Office of Management and Budget
<b>RFQ/RFP</b>	Request for Quote, Request for Proposal
<b>Task Order</b>	The Government acquires IT services and IT services-based solution under this Contract by means of orders (task orders) with specifically defined scopes/requirements deliverables and schedules. Industry Partners shall only perform work under this Contract as directed in bona-fide written orders issued by duly delegated and warranted ordering contracting officers.
<b>Vendor Support Center</b>	The Vendor Support Center (VSC) maintains a staff ready to assist vendors in the preparation and submission and reporting of sales data. The VSC also maintains a website that contains a wealth of information for contract holders. <a href="http://www.gsa.gov/vendorsupportcenter">http://www.gsa.gov/vendorsupportcenter</a>

# Appendix IV

## *Alphabetical Business Category Listing*

Business categories serve as a guide to placement of work with a functional area, but are not the final answer. Due diligence that proposed work is a good scope fit with the FA's NAICS code is still a good idea. Information about reviewing the full NAICS code description was included on the previous page.

All Other Information Services	FA7
Application Hosting	FA4
Application Service Providers (ASPs)	FA4
Applications Software Programming Services	FA1
Automated Data Processing	FA4
Broadcasting exclusively on the Internet	FA6
Business Process Reengineering (BPR)	FA2
*Cabling & Wiring	FA2
*Call Centers	FA7
Computer-Aided Design (CAD) Services	FA2
Computer-Aided Engineering (CAE) Services	FA2
Computer-Aided Manufacturing (CAM) Services	FA2
Computer Disaster Recovery	FA5
Computer Hardware Consulting Services	FA2
Computer Input Preparation	FA4
Computer Operations/Support	FA3
Computer Program or Software Development	FA1
Computer Programming Services	FA1
Computer Software Consulting Services	FA2
Computer Software Support Services	FA1
Computer Systems Design Services	FA2
Computer Systems Facilities Services	FA3
Computer Systems Integration Analysis and Design	FA2
Computer Systems Integration Design Consulting	FA2
Configuration Management	FA2
Contingency Planning	FA5
Custom Computer Programming Services	FA1
Data Capture Imaging Services	FA4
Data Entry Services	FA4
Data Processing	FA4
Data Warehousing	FA4
Database Design/Generation	FA1
Data Processing Facilities Services	FA3
Disaster Preparedness/Recovery	FA5
Distance Learning	FA7
Document Imaging	FA4
Documentation	FA5
E-Commerce	FA7
Electronic Data Processing	FA4
End User Support	FA3
Enterprise Architecture Development	FA2
Enterprise Resource Planning (ERP)	FA2
Equipment Inventory & Maintenance	FA3
Facilities-Based Telecommunications Carriers (except wireless) Local	FA8

Hardware/Software Maintenance	FA3
*Help Desk	FA3
Information Assurance and Security	FA5
Independent Verification & Validation	FA5
Internet Broadcasting	FA6
Internet Video Broadcast	FA6
IT Capital Planning Management	FA2
IT Facilities Management, Operation, & Support	FA3
IT Facilities Planning	FA3
LAN/WAN Design	FA2
Legacy Interfaces/Data Migration	FA1
Long-Distance Telephone Carriers	FA8
Media Streaming	FA4
Microfiche/Microfilm Services	FA4
Network Design & Installation	FA2
Network Management	FA3
Network Systems Integration	FA2
Other Computer Related Services	FA5
Scanning Services	FA4
Software Analysis and Design	FA1
Software Installation	FA5
Software Programming	FA1
Software Testing	FA1
Special Interest Portals	FA6
Storage Area Networks	FA4
Systems Analysis	FA2
Systems Integration	FA2
Telecommunications Carriers	FA8
Telecommunications Networks	FA8
Telegram Services	FA8
Telephone Carriers (except wireless)	FA8
Telephone Installation Services	FA8
Telephone-Based Recorded Information Services	FA7
Video Broadcasting, exclusively on the Internet	FA6
Video Conferencing	FA7
Virus Detection/Recovery	FA5
Web Broadcasting	FA6
Web Design	FA1
Web Hosting	FA4
Wired Telecommunications Carriers	FA8

**\*Considered higher risk business categories – Statement of Work review recommended prior to issuing task order. See page 15.**